

LEGISLATURE OF NEBRASKA
NINETY-SEVENTH LEGISLATURE
SECOND SPECIAL SESSION

LEGISLATIVE BILL 30

Introduced by Hartnett, 45

Read first time July 31, 2002

Committee: Transportation and Telecommunications

A BILL

1 FOR AN ACT relating to roads; to amend sections 39-2223 and
2 77-27,132, Reissue Revised Statutes of Nebraska, and
3 section 39-2215, Reissue Revised Statutes of Nebraska, as
4 amended by Laws 2002, LB 989, section 7; to change
5 provisions relating to the Highway Trust Fund and road
6 bonds; to change the allocation of certain sales tax
7 revenue; to provide an operative date; to repeal the
8 original sections; and to declare an emergency.
9 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 39-2215, Reissue Revised Statutes of
2 Nebraska, as amended by Laws 2002, LB 989, section 7, is amended to
3 read:

4 39-2215. (1) There is hereby created in the state
5 treasury a special fund to be known as the Highway Trust Fund.

6 (2) All funds credited to the Highway Trust Fund pursuant
7 to sections 66-4,140, 66-4,147, 66-669, and 66-6,108, and related
8 penalties and interest, shall be allocated as provided in such
9 sections. The State Treasurer shall make the transfer to the
10 General Fund required by section 66-499.

11 (3) All other motor vehicle fuel taxes, diesel fuel
12 taxes, compressed fuel taxes, and alternative fuel taxes related to
13 highway use retained by the state, all motor vehicle registration
14 fees retained by the state other than those fees credited to the
15 State Recreation Road Fund pursuant to section 60-302, and other
16 highway-user taxes imposed by state law and allocated to the
17 Highway Trust Fund, except for the proceeds of the sales and use
18 taxes derived from motor vehicles, trailers, and semitrailers
19 credited to the fund pursuant to section 77-27,132, are hereby
20 irrevocably pledged for the terms of the bonds issued prior to
21 January 1, 1988, to the payment of the principal, interest, and
22 redemption premium, if any, of such bonds as they mature and become
23 due at maturity or prior redemption and for any reserves therefor
24 and shall, as received by the State Treasurer, be deposited in the
25 fund for such purpose.

26 (4) Of the money in the fund specified in subsection (3)
27 of this section which is not required for the use specified in such
28 subsection, (a) an amount equal to three dollars times the number

1 of motorcycles registered during the previous month shall be placed
2 in the Motorcycle Safety Education Fund, (b) an amount to be
3 determined annually by the Legislature through the appropriations
4 process may be transferred to the Motor Fuel Tax Enforcement and
5 Collection Cash Fund for use as provided in section 66-738 on a
6 monthly or other less frequent basis as determined by the
7 appropriation language, (c) an amount to be determined annually by
8 the Legislature through the appropriations process shall be
9 transferred to the License Plate Cash Fund as needed to meet the
10 current obligations associated with the manufacture of license
11 plates and stickers or tabs provided for in sections 60-311,
12 60-311.02, and 60-1804, as certified by the Director of Motor
13 Vehicles, and (d) the remaining money may be used for the purchase
14 for retirement of the bonds issued prior to January 1, 1988, in the
15 open market.

16 (5) The State Treasurer shall monthly transfer, ~~from the~~
17 ~~proceeds of the sales and use taxes credited to the Highway Trust~~
18 ~~Fund and from~~ any money remaining in the fund after the
19 requirements of subsections (2) through (4) of this section are
20 satisfied, (a) thirty thousand dollars to the Grade Crossing
21 Protection Fund and (b) the amount calculated pursuant to section
22 13-1210 for financing the operating costs of public transportation
23 systems to the Highway Cash Fund.

24 (6) Except as provided in subsection (7) of this section,
25 the balance of the Highway Trust Fund shall be allocated
26 fifty-three and one-third percent, less the amount provided for in
27 section 39-847.01, to the Department of Roads, twenty-three and
28 one-third percent, less the amount provided for in section

1 39-847.01, to the various counties for road purposes, and
2 twenty-three and one-third percent to the various municipalities
3 for street purposes. If bonds are issued pursuant to subsection
4 (2) of section 39-2223, the portion allocated to the Department of
5 Roads shall be credited monthly to the Highway Restoration and
6 Improvement Bond Fund, and if no bonds are issued pursuant to such
7 subsection, the portion allocated to the department shall be
8 credited monthly to the Highway Cash Fund. The portions allocated
9 to the counties and municipalities shall be credited monthly to the
10 Highway Allocation Fund and distributed monthly as provided by law.
11 Vehicles accorded prorated registration pursuant to section
12 60-305.09 shall not be included in any formula involving motor
13 vehicle registrations used to determine the allocation and
14 distribution of state funds for highway purposes to political
15 subdivisions.

16 (7) If it is determined by December 20 of any year that a
17 county will receive from its allocation of state-collected highway
18 revenue and from any funds relinquished to it by municipalities
19 within its boundaries an amount in such year which is less than
20 such county received in state-collected highway revenue in calendar
21 year 1969, based upon the 1976 tax rates for highway-user fuels and
22 registration fees, the Department of Roads shall notify the State
23 Treasurer that an amount equal to the sum necessary to provide such
24 county with funds equal to such county's 1969 highway allocation
25 for such year shall be transferred to such county from the Highway
26 Trust Fund. Such makeup funds shall be matched by the county as
27 provided in sections 39-2501 to 39-2510. The balance remaining in
28 the fund after such transfer shall then be reallocated as provided

1 in subsection (6) of this section.

2 (8) The State Treasurer shall disburse the money in the
3 Highway Trust Fund as directed by resolution of the commission.
4 All disbursements from the fund shall be made upon warrants drawn
5 by the Director of Administrative Services. Any money in the fund
6 available for investment shall be invested by the state investment
7 officer pursuant to the Nebraska Capital Expansion Act and the
8 Nebraska State Funds Investment Act and the earnings, if any,
9 credited to the fund.

10 Sec. 2. Section 39-2223, Reissue Revised Statutes of
11 Nebraska, is amended to read:

12 39-2223. (1) Under the authority granted by Article
13 XIII, section 1, of the Constitution of Nebraska, the Legislature
14 hereby authorizes the issuance of bonds in the principal amount of
15 twenty million dollars in 1969 and in the principal amount of
16 twenty million dollars on or before June 30, 1977, with the
17 proceeds thereof to be used for the construction of highways in
18 this state, the Legislature expressly finding that the need for
19 such construction requires such action. Such bonds shall in all
20 respects comply with the provisions of Article XIII, section 1, of
21 the Constitution of Nebraska.

22 (2) Under the authority granted by Article XIII, section
23 1, of the Constitution of Nebraska, the Legislature hereby
24 authorizes after July 1, 1988, the issuance of bonds in a principal
25 amount to be determined by the commission, not to exceed one
26 hundred fifty million dollars. The outstanding principal amount of
27 such bonds may exceed such limit if and to the extent that the
28 commission determines that the issuance of advance refunding bonds

1 under section 39-2226 in a principal amount greater than the bonds
2 to be refunded would reduce the aggregate bond principal and
3 interest requirements payable from the bond fund. The proceeds of
4 such issues shall be used exclusively (a) for the construction,
5 resurfacing, reconstruction, rehabilitation, and restoration of
6 highways in this state, the Legislature expressly finding that the
7 need for such construction and reconstruction work and the vital
8 importance of the highway system to the welfare and safety of all
9 Nebraskans requires such action, or (b) to eliminate or alleviate
10 cash-flow problems. ~~resulting from the receipt of federal funds.~~
11 Such bonds shall in all respects comply with the provisions of
12 Article XIII, section 1, of the Constitution of Nebraska.

13 Sec. 3. Section 77-27,132, Reissue Revised Statutes of
14 Nebraska, is amended to read:

15 77-27,132. (1) There is hereby created a fund to be
16 designated the Revenue Distribution Fund which shall be set apart
17 and maintained by the Tax Commissioner. Revenue not required to be
18 credited to the General Fund or any other specified fund may be
19 credited to the Revenue Distribution Fund. Credits and refunds of
20 such revenue shall be paid from the Revenue Distribution Fund. The
21 balance of the amount credited, after credits and refunds, shall be
22 allocated as provided by the statutes creating such revenue.

23 (2) The Tax Commissioner shall pay to a depository bank
24 designated by the State Treasurer all amounts collected under the
25 Nebraska Revenue Act of 1967. The Tax Commissioner shall present
26 to the State Treasurer bank receipts showing amounts so deposited
27 in the bank. Of ~~7 and of~~ the amounts so deposited the State
28 Treasurer shall:

1 (a) Until October 1, 2004, credit to the Highway Trust
2 Fund one-half of the proceeds of the sales and use taxes derived
3 from motor vehicles, trailers, and semitrailers; and

4 (b) Commencing October 1, 2004, credit to the Highway
5 Trust Fund all of the proceeds of the sales and use taxes derived
6 from motor vehicles, trailers, and semitrailers. The balance of
7 the amounts so paid shall be credited to the General Fund.

8 Sec. 4. This act becomes operative on October 1, 2002.

9 Sec. 5. Original sections 39-2223 and 77-27,132, Reissue
10 Revised Statutes of Nebraska, and section 39-2215, Reissue Revised
11 Statutes of Nebraska, as amended by Laws 2002, LB 989, section 7,
12 are repealed.

13 Sec. 6. Since an emergency exists, this act takes effect
14 when passed and approved according to law.